

RESOLUTION GRANTING THIRD ROUND SUBSTANTIVE CERTIFICATION #7-09

Frenchtown Borough, Hunterdon County

WHEREAS, Frenchtown Borough, Hunterdon County, petitioned the Council on Affordable Housing (COAH) for third round substantive certification of a Housing Element and Fair Share Plan addressing its total 1987-2018 affordable housing obligation on December 30, 2008; and

WHEREAS, Frenchtown's petition was deemed complete on January 29, 2009; and

WHEREAS, Frenchtown Borough published notice of its petition in the *Hunterdon County Democrat* on February 5, 2009, which is a newspaper of general circulation within the county, pursuant to N.J.S.A. 52:27D-313 and N.J.A.C. 5:96-3.5; and

WHEREAS, no objections to the plan were received by COAH during the 45-day objection period, which ended March 23, 2009; and

WHEREAS, Frenchtown Borough's fair share plan addresses its rehabilitation obligation of seven units, a two-unit prior round obligation, and a eight-unit projected growth share obligation pursuant to Appendix F of N.J.A.C. 5:97; and

WHEREAS, Frenchtown Borough's plan proposes to address its seven-unit rehabilitation obligation with five credits for rehabilitated units and a two-unit rehabilitation program; and

WHEREAS, Frenchtown Borough's plan proposes to address its two-unit prior round obligation with two post-1986 age-restricted rental credits from the Frenchtown Barn Center inclusionary development; and

WHEREAS, Frenchtown Borough's plan proposes to address its projected growth share obligation with one post-1986 age-restricted rental credit from the Frenchtown Barn Center

inclusionary development, four post-1986 family rental credits and two rental bonuses in the River Mills Redevelopment Site, for a total of seven credits; and

WHEREAS, Frenchtown Borough's plan proposes to address its remaining one-unit projected growth share obligation with two family for-sale units in the proposed Shale Cliff Redevelopment Site; and

WHEREAS, pursuant to N.J.A.C. 5:97-3.2(a)4, Frenchtown has provided an implementation schedule that demonstrates a realistic opportunity and sets forth a timetable for the submittal of all information and documentation required by N.J.A.C. 5:97-6.6 for the proposed Shale Cliff Redevelopment Site; and

WHEREAS, Frenchtown Borough's plan results in a one-unit surplus from the proposed Shale Cliff Redevelopment Site; and

WHEREAS, pursuant to N.J.A.C. 5:96-6.2(a)2, on April 20, 2009 COAH issued a Compliance Report (attached as Exhibit A and incorporated by reference herein) recommending approval of Frenchtown Borough's petition for third round substantive certification; and

WHEREAS, there was a 14-day period to submit comments to the COAH Compliance Report pursuant to N.J.A.C. 5:96-6.2(b) and COAH received no comments.

NOW THEREFORE BE IT RESOLVED the Housing Element and Fair Share Plan submitted by Frenchtown Borough comports to the standards set forth at N.J.S.A. 52:27D-314 and meets the criteria for third round substantive certification pursuant to N.J.A.C. 5:96-6.3; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(a) and after having reviewed and considered all of the above, COAH hereby grants third round substantive certification to Frenchtown Borough; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(e), Frenchtown Borough shall adopt all implementing Fair Share Ordinances within 45 days of the grant of substantive certification; and

BE IT FURTHER RESOLVED that if Frenchtown Borough fails to timely adopt its Fair Share Ordinances, COAH's grant of substantive certification shall be void and of no force and effect; and

BE IT FURTHER RESOLVED that Frenchtown shall submit all Fair Share Ordinances to COAH upon adoption; and

BE IT FURTHER RESOLVED that Frenchtown shall comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting Frenchtown's actual growth pursuant to N.J.A.C. 5:97-2.5; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-10.1, COAH shall conduct biennial plan evaluations upon substantive certification of Frenchtown's Housing Element and Fair Share Plan to verify that the construction or provision of affordable housing has been in proportion to the actual residential growth and employment growth in the municipality and to determine that the mechanisms addressing the projected growth share obligation continue to present a realistic opportunity for the creation of affordable housing; and

BE IT FURTHER RESOLVED that if upon any biennial review the difference between the number of affordable units constructed or provided in Frenchtown and the number of units required pursuant to N.J.A.C. 5:97-2.5 results in a pro-rated production shortage of 10 percent or greater, the Borough is not adhering to its implementation schedule pursuant to N.J.A.C. 5:97-3.2(a)4, or the mechanisms addressing the projected growth share obligation no longer present a

realistic opportunity for the creation of affordable housing, COAH may direct Frenchtown Borough to amend its plan to address the shortfall; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:97-2.5(e), if the actual growth share obligation determined is less than the projected growth share obligation, Frenchtown shall continue to provide a realistic opportunity for affordable housing to address the projected growth share; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(b), Frenchtown's substantive certification shall remain in effect until December 30, 2018; and

BE IT FURTHER RESOLVED that any changes to the facts upon which this substantive certification is based or any deviations from the terms and conditions of this substantive certification which affect the ability of Frenchtown Borough to provide for the realistic opportunity of its fair share of low and moderate income housing and which the Borough fails to remedy, may render this certification null and void.

I hereby certify that this resolution was
duly adopted by the Council on Affordable
Housing at its public meeting on May 14, 2009

A handwritten signature in black ink, reading "Renee Reiss". The signature is written in a cursive, flowing style with large loops.

Renee Reiss, Secretary
Council on Affordable Housing



***Council on Affordable Housing
Compliance Report
April 20, 2009***



Municipality: Frenchtown Borough
County: Hunterdon

COAH Region: 3
Planning Area: 5
Special Resource Area: None

Housing Element and Fair Share Plan Adopted: 12/17/2008
Petition for 3rd Round Substantive Certification: 12/30/2008
Completeness Determination: 1/29/2009
Date of Publication: 2/5/2009

Objections Received: No

Petition Includes:

VLA: No
GPA: No
Waiver: No

Date of Site Visit: March 20, 2009

History of Approvals:

	COAH	JOC	N/A
First Round:	6/5/1989		
Second Round:	9/4/1996		
Extended Certification:			2/9/2005

Plan Preparer: Elizabeth McKenzie, P.P., PA

Municipal Housing Liaison: Brenda Shepherd, Clerk

Recommendation: Grant Substantive Certification

SUMMARY OF FAIR SHARE OBLIGATION

Rehabilitation Share	7
Prior Round Obligation	2
Projected Growth Share Obligation (Net)	8

ACTUAL GROWTH and GROWTH SHARE through September 2008¹

Res Units (#)	Actual Res Growth Share	Jobs (#)	Actual Non-Res Growth Share	Actual TOTAL Growth Share
19	3.8	1	.06	4

COMPLIANCE PLAN SUMMARY

Obligation	Credit/ Mechanism Type	# Units Completed	# Units Proposed	TOTAL
Rehabilitation: 7 units				
Credits	Post-April 1, 2000	5		5
Program(s)	Frenchtown rehab program		2	2
Rehabilitation Subtotal				7
NEW CONSTRUCTION:				
Prior Round: 2 units				
Credits	Post-1986	2		2
Prior Round Subtotal				2
Growth Share: 8 units				
Credits	Post-1986	5		5
Proposed Mechanism(s)	Inclusionary Zoning/Redevelopment	-	2	2
Growth Share Bonus(es)	Rental	2	-	2
Growth Share Subtotal				9
Surplus				+1

¹ This growth share number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.5; therefore, the actual growth share may vary.

I. HOUSING ELEMENT

Pursuant to N.J.S.A. 40:55D-28(b), the Housing Element is a required section of the Municipal Master Plan. The Housing Element must be designed to achieve the goal of access to affordable housing to meet existing and future housing needs, with special attention given to low- and moderate-income households. The housing needs analysis must include demographic information on existing and projected housing stock and employment characteristics, a quantification of low- and moderate-income housing need, and a consideration of the lands within the municipality that are most appropriate to accommodate such housing. Frenchtown's Housing Element includes sufficient information regarding housing stock, demographic and employment characteristics and population trends pursuant to N.J.S.A. 52:27D-310.

Under N.J.A.C. 5:97-2.1(b), the Housing Element must also set forth the municipality's fair share obligation, which is the sum of the rehabilitation share, the prior round obligation, and the growth share.

A. Rehabilitation Share

The rehabilitation share is the number of existing housing units within a municipality as of April 1, 2000, that are both deficient and occupied by households of low or moderate income. As indicated in Appendix B of N.J.A.C. 5:97, Frenchtown Borough has a rehabilitation share of seven units.

B. Prior Round Obligation

The prior round obligation is the cumulative 1987-1999 new construction obligation provided in Appendix C of N.J.A.C. 5:97. Frenchtown has a prior round obligation of two units.

C. Projected Growth Share

The projected growth share is initially calculated based on household (residential) and employment (non-residential) 2004-2018 projections. Pursuant to Appendix F of N.J.A.C. 5:97, Frenchtown has a residential projection of 37 units and a non-residential projection of two jobs,

which results in a projected growth share obligation of eight affordable units². The Borough has not subtracted any second round exclusions.

SUMMARY OF FAIR SHARE OBLIGATION

Rehabilitation Share	7
Prior Round Obligation	2
Projected Growth Share Obligation (Net)	8

II. FAIR SHARE PLAN

A Fair Share Plan, as required under N.J.A.C. 5:97-3.1, describes the completed or proposed mechanisms and funding sources, if applicable, that will be utilized to specifically address a municipality's rehabilitation share, prior round obligation, and growth share obligation and includes the draft ordinances necessary to implement that plan. Affordable housing must be provided in direct proportion to the growth share obligation generated by the actual growth.

Frenchtown Borough's Fair Share Plan, and the supporting documentation incorporated by reference therein, address the requirements of N.J.A.C. 5:97-3.1 as follows:

A. Plan to Address Rehabilitation Share

Rehabilitation Share Credits

Frenchtown is requesting credit for five units rehabilitated subsequent to April 1, 2000. In accordance with N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

² Pursuant to N.J.A.C. 5:97-2.2(d), Frenchtown's residential projection of 37 is divided by 5 to yield 7.4 units and the nonresidential projection of 2 jobs is divided by 16 to yield .125 units. Frenchtown's total projected growth share is therefore 8 units ($7.4 + .125$).

Rehabilitation Credits

Rehabilitation Program	# Credits
Frenchtown Rehab Program	5
TOTAL	5

Proposed Rehabilitation Program(s)

Frenchtown Rehabilitation Program

Frenchtown has contracted with the Housing and Community Development Services, Inc. (HCDS) for the rehabilitation of the remaining two units. Frenchtown's rehabilitation program will adhere to the regulations in N.J.A.C. 5:97-6.2, including having the program available to both owner-occupied and renter-occupied units. Frenchtown has an operating manual and affirmative marketing plan for the administration of the program. Frenchtown will fund the program through its affordable housing trust fund. The Borough has provided an implementation schedule for the rehabilitation program in its spending plan, and has submitted a resolution of intent to bond in the event of a shortfall in funding that was adopted on December 17, 2008. [2-unit rehabilitation program]

Proposed Rehabilitation Program(s)

Rehabilitation Program	# Units
Frenchtown Rehab Program	2
TOTAL	2

B. Plan to Address Prior Round Obligation

Prior Round Obligation Credits

Frenchtown is addressing its Prior Round Obligation with two post-1986 credits. In accordance with N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

Post-1986 Credits

Project/Development Name	Year	Type of Affordable Unit	# Units/Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
Frenchtown Barn Center (DeSapio) inclusionary ³	2007	Age-Restricted Rental	2	-	-	2
TOTALS			2		-	2

Proposed Affordable Housing Mechanisms

Frenchtown is relying on credits and therefore is not proposing any additional affordable housing mechanisms to address its Prior Round Obligation.

Prior Round Obligation Parameters

Frenchtown has satisfied the applicable Prior Round parameters as follows:

Prior Round Rental Obligation:⁴ 1 Unit

Development/Project Name	Type of Affordable Unit	# Units
Frenchtown Barn Center	Age-Restricted Rental	1
TOTAL		1

³ The project consists of three affordable, age-restricted rental units, as part of a 16-unit age-restricted development. Frenchtown is requesting that two of the units be used to address the prior round obligation and one unit be carried over to the growth share obligation.

⁴ Rental Obligation: .25 (Prior Round Obligation-Prior Cycle Credits) or .25(2) = 1 N.J.A.C. 5.97-3.10(b)1

Prior Round Age-Restricted Maximum⁵ : 2 Units

Development/Project Name	Type of Affordable Unit	# Units
Frenchtown Barn Center	Age-Restricted Rental	2
TOTAL		2

C. Plan to Address Projected Growth Share

Growth Share Obligation Credits

Frenchtown Borough is addressing seven units of the projected Growth Share Obligation with five units of credit and two bonuses. In accordance with N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

Post-1986 Credits

Project/Development Name	Year	Type of Affordable Unit	# Units/Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
Frenchtown Barn Center (DeSapio) inclusionary	2007	Age-Restricted Rental	1	-	-	1
River Mills Redevelopment Site ⁶	2006	Family Rental	4	Rental	2	6
TOTALS			5			7

Approved But Not Constructed

River Mills Redevelopment Site

Pursuant to N.J.A.C. 5:97-6.6, Frenchtown is proposing to address a portion of its growth share obligation with four rental units from a proposed inclusionary rental development known

⁵Age-Restricted Maximum: Pursuant to N.J.A.C. 5:97-4.1(c), COAH will honor the number of age-restricted credits included in the previously certified plan if the mechanism that were included in that certification still presents a realistic opportunity. Therefore, Frenchtown's age-restricted cap is based on the following formula from its second round certification: .25 (precertified need - prior cycle credits - rehabilitation credits - 1,000 unit limit) or .25 (12 - 0 - 2 - 0 - 0) = 3 units

⁶River Mills is approved but not yet constructed.

as the River Mills, which is part of the Borough's "area in need of rehabilitation" designated pursuant to the Local Housing and Redevelopment Law (N.J.S.A. 40A:12A-5). The Borough's entire Central Business District (CBD) and a portion of the Transitional Business District (TBD), which consists of 13 parcels, were designated an "area in need of rehabilitation" by the Borough Council on November 10, 2004. Frenchtown adopted a redevelopment plan for the Rehabilitation Area on December 29, 2004, which is also known as the Village Center Plan. The Plan has been amended several times. It was last amended in 2006 to modify floor area ratios, building heights and affordable housing requirements (to cover required set-asides where a developer proposes to provide both rental and for-sale affordable units). The Village Center Plan, which also consists of the other proposed inclusionary redevelopment (Shale Cliff) in the Borough's Plan, has a required 20 percent set-aside for sale units and a 15 percent set-aside for rental units.

The purpose of the Village Center Plan was to set forth design standards that will support and maintain the historic nature of the Borough's CBD and serve as the basis for new zoning. The plan also allows the Borough to enter into redevelopers' agreements for the redevelopment and/or rehabilitation of certain parcels without having to officially designate the targeted parcels as "areas in need of redevelopment." The Village Center Plan is essentially an overlay zone applied to the existing zoning. Therefore, any current uses not consistent with the Village Center Plan are non-conforming uses.

The River Mills site consists of five parcels (Block 34, Lot 1; Block 35, Lot 1; Block 36, Lot 1 [contiguous lots]; Block 38, Lot 2; Block 14, Lot 52 [non-contiguous lots]) and is approximately 2.7 acres combined. The site is surrounded by vacant parcels, commercial uses and a multi-family apartment building. Both the River Mills and Shale Cliff sites are proposed for mixed residential and retail development, which may include some restaurant as well.

The River Mills development received preliminary site plan approval on November 29, 2006, which was amended in March 2008 to address certain DEP requirements concerning development within a flood hazard area. As a result, the number of units approved went from 29 to 27 total units, with four of the units being affordable family rental units (a 15% set-aside). The zone was also subject to the Borough's growth share ordinance that was in place at the time, which required a fractional payment in lieu (\$36,000 per one affordable unit). The non-

residential portion of the site will now be required to pay a non-residential development fee instead of a payment in lieu. The development is not constructed yet.

As indicated above, the entire Borough is in PA5. However, the site is suitable, has adequate sewer and water capacity available, and is consistent with sound planning principles and the goals, policies and objectives of the SDRP, pursuant to N.J.A.C. 5:97-3.13. The River Mills site is located within a 100 year flood plain, as is most of the Borough, but is proposed to be elevated above the floodplain and in accordance with applicable DEP requirements. Both proposed sites in the Borough's plan will be served by public sewer and water. In order to redevelop these properties, Frenchtown states that it will need to upgrade its sewerage system and expand its sewage treatment plant. An Infiltration and Inflow (I&I) Study has been completed in criteria sections of the Borough, and the Borough states that a repair of certain stretches of sewer pipes will increase the sewage treatment capacity at the Borough's existing plant. The Borough indicates that this will allow the two redevelopers to start their initial phases. Thereafter, the Borough will work cooperatively with the two redevelopers to expand the plant.

The Borough has contracted with HCDS for the administration of the units. The Borough has submitted an affirmative marketing plan and operating manual for the administration of the units. The affordable units must meet the requirements of the Uniform Housing Affordability Controls (N.J.A.C. 5:80-1 et seq.) with regard to controls on affordability, affirmative marketing, rental pricing, low/moderate split and bedroom distribution.

Frenchtown is requesting four family rental credits and two rental bonuses for the affordable units. The resolution granting site plan approval confirms that rental units will be developed. In addition, Frenchtown is proposing to address its one-unit very-low income obligation through buying down one of the low-income River Mills units to a very-low income unit. **[4 post-1986 family rental credit plus 2 rental bonuses]**

Proposed Affordable Housing Mechanisms

Frenchtown proposes to address the remaining two-unit Growth Share Obligation through the following mechanisms:

Shale Cliff Redevelopment Site

Pursuant to N.J.A.C. 5:97-6.6, Frenchtown is proposing to address a portion of its growth share obligation with two rental units from a proposed inclusionary development known as the Shale Cliff, which is part of the Borough's "area in need of rehabilitation" designated pursuant to the Local Housing and Redevelopment Law (N.J.S.A. 40A:12A-5), discussed above. This site is also part of the adopted redevelopment plan for the Rehabilitation Area, also known as the Village Center Plan.

The Shale Cliff site (also known as Oasis) is located on Kingwood Avenue (Block 52, Lot 9) and is approximately 3.7 acres. The site is surrounded by vacant parcels, commercial uses and a multi-family apartment building.

The Borough indicates that the development is still in its conceptual stages, and the development is ready to move forward to the engineering stage, after being modified several times. The most recent iteration provides for eight market rate condominium units and two affordable sale units (plus a payment in lieu for a fraction of an affordable unit), and one new store space (for which the developer will pay a non-residential development fee).

The Borough indicates that DEP considers the site to be impervious because it is an already developed site. The site is encompassed within a 300 foot C-1 buffer and wetlands encompass 85 percent of the site. However, the area of the site where the development will take place is already disturbed. No additional disturbance or impervious surface coverage will be added to the site. As indicated above, the entire Borough is in PA5. However, the portion of the site where the development will take place is suitable, has adequate sewer and water capacity available, and is consistent with sound planning principles and the goals, policies and objectives of the SDRP, pursuant to N.J.A.C. 5:97-3.13. The sewer and water capacity has been discussed above.

Pursuant to N.J.A.C. 5:97-3.2(a)4, the Borough has provided an implementation schedule that sets forth a detailed timetable that demonstrates a realistic opportunity and for submittal of

all the required information and documentation required by N.J.A.C. 5:97-6.6. The Borough's mechanism checklist form includes a timetable for each step of the development process in accordance with N.J.A.C. 5:97-6.6(d), with certificates of occupancy being issued in November 2013 and as such, supporting documentation is required to be submitted to COAH two years before construction begins, in January 2010.

The Borough has contracted with HCDS for the administration of the units. The Borough has submitted an affirmative marketing plan and operating manual for the administration of the units. The affordable units must meet the requirements of the Uniform Housing Affordability Controls (N.J.A.C. 5:80-1 et seq.) with regard to controls on affordability, affirmative marketing, rental pricing, low/moderate split and bedroom distribution. **[2 family sale units]**

Proposed Growth Share Affordable Housing Mechanisms

Type/Name of Affordable Housing Mechanism	Type of Affordable Unit	# Units/Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
Shale Cliff Redevelopment Site	Family For-Sale	2	-	-	2
TOTALS		2		-	2

Growth Share Parameters

Frenchtown has satisfied the applicable Growth Share parameters as follows:

Growth Share Rental Obligation:⁷ 2 Units

Development/Project Name	Type of Affordable Unit	# Units
Frenchtown Barn Center	Age-restricted Rental	1
River Mills Redevelopment	Family Rental	1
TOTAL		2

⁷ Projected Growth Share Rental Obligation: .25(Projected Growth Share) or .25(8)= 2 units
N.J.A.C. 5:97-3.10(b)3

Growth Share Family Rental Requirement⁸ : 1 Unit

Development/Project Name	Type of Affordable Unit	# Units
River Mills Redevelopment	Family Rental	1
TOTAL		1

Growth Share Minimum Family Requirement⁹ : 3 Units

Development/Project Name	Type of Affordable Unit	# Units
River Mills Redevelopment	Family Rental	4
Shale Cliff Redevelopment	Family For-Sale	2
TOTAL		6

Very Low Income Minimum Requirement¹⁰ : 1 Unit

Development/Project Name	Type of Affordable Unit	# Units
River Mills Redevelopment ¹¹	Family Rental	1
TOTAL		1

⁸ Projected Growth Share Family Rental Requirement: .5(Projected Growth Share Rental Requirement) or .5(2)= 1 units N.J.A.C. 5:97-3.4(b)

⁹ Projected Growth Share Family Requirement: .5(Units Addressing the Growth Share Obligation) or .5(6)= 3 units N.J.A.C. 5:97-3.9

¹⁰ Growth Share Very Low Income Requirement: .13(Units Addressing the Growth Share Obligation) or .13(6) = .78 or 1 unit N.J.S.A. 52:27D-329.1

¹¹ Frenchtown is addressing its one-unit very-low income obligation through buying down one of the low-income River Mills units to a very-low income unit.

Age-Restricted Maximum¹² : 2 Units

Development/Project Name	Type of Affordable Unit	# Units
Frenchtown Barn Center	Age-restricted Rental	1
TOTAL		1

Bonus Maximum¹³: 2 Bonuses

Development/Project Name	Type of Bonus	# Bonuses
River Mills Redevelopment	Rental	2
TOTAL		2

Actual Growth Share Obligation

The actual growth share obligation will be based on permanent certificates of occupancy issued within the municipality for market-rate residential units and newly constructed or expanded non-residential developments in accordance with Appendix D of N.J.A.C. 5:97. At plan evaluation review pursuant to N.J.A.C. 5:96-10, COAH will compare the actual growth share obligation with the actual number of affordable units constructed.

The New Jersey Department of Community Affairs (NJ DCA) *Construction Reporter* indicates that between January 1, 2004 and September 2008, Frenchtown has issued certificates of occupancy for 19 housing units and also for the nonresidential square footage equivalent of 2 jobs, yielding an actual growth share obligation through September 30, 2008, of 4 affordable units.¹⁴

¹² Projected Growth Share Age Restricted Maximum: $.25(\text{Projected Growth Share})$ or $.25(8) = 2$ units N.J.A.C. 5:97-3.10(c)2

¹³ Projected Bonus Maximum: $.25(\text{Projected Growth Share})$ or $.25(8) = 2$ units N.J.A.C. 5:97-3.20

¹⁴ The number of residential COs (19) is divided by 5 to yield 2.8 units and the number of jobs is divided by 16 to yield .125 units. Frenchtown's total projected growth share is therefore 4 units $(3.8 + .125)$. **Note:** This number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.5; therefore, the actual growth share may vary.

D. Summary of Plan to Address Fair Share Obligation

REHABILITATION SHARE SUMMARY

Rehabilitation Share: 7 Units

Program Name	# Units
Rehabilitation Credits	5
Rehabilitation Program	2
TOTAL	7

PRIOR ROUND SUMMARY

Prior Round Obligation: 2 Units

	Name of Mechanism	# Units/ Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
Prior Cycle Credits	N/A	-			-
Post-1986 Credits	Frenchtown Barn Center (DeSapio) inclusionary	2	-	-	2
Subtotal		2		2	
Proposed Mechanisms	N/A	-	-	-	-
Subtotal		-		-	
TOTAL					2

GROWTH SHARE SUMMARY

Projected Growth Share Obligation: 8 Units

	Name of Mechanism	# Units/ Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
Prior Cycle Credits	N/A	-			-
Post-1986 Credits	Frenchtown Barn Center (DeSapio) inclusionary	1	-	-	1
	River Mills Redevelopment Site	4	Rental	2	6
Subtotal		5		2	
Proposed Mechanisms	Shale Cliff Redevelopment	2	-	-	2
Subtotal		2		-	
TOTAL					9
Surplus					+1

III. FAIR SHARE DOCUMENT REVIEW

A. Development Fee Ordinance

Frenchtown does not presently have a development fee ordinance. Frenchtown submitted a draft amended development fee ordinance for COAH's review and approval with its third round petition. The amended development fee ordinance was approved by COAH on April 13, 2009.

B. Third Round Spending Plan

A third round spending plan was submitted by Frenchtown with the Borough's third round petition for COAH's review and approval. The spending plan will be reviewed by COAH in a separate report.

C. Affordable Housing Ordinance/Affordable Housing Administration

Frenchtown Borough has an adopted fair share ordinance for its prior round obligation. Frenchtown has submitted a revised draft fair share ordinance that comports with the requirements of the UHAC, which was amended on December 20, 2004. The draft proposed ordinance includes compliance with barrier free sub code of the State Uniform Construction Code Act (N.J.S.A. 52:27D-119 et seq.) and the accessibility requirements of N.J.S.A. 52:27D-123.15. The draft ordinance must be adopted within 45 days of COAH's grant of substantive certification and submitted to COAH immediately upon adoption.

A resolution appointing a municipal housing liaison was adopted by the Borough on December 14, 2005.

Frenchtown is responsible for the continued re-sale and re-rental of existing affordable units and the initial sale and rental of newly constructed affordable units within the Borough and must designate an experienced administrative entity. Frenchtown has submitted a contract with HCDS as its administrative entity for all its affordable units. Pursuant to N.J.A.C. 5:80-26.14(b), Frenchtown has submitted written operating manuals for its rehabilitation program and new construction units.

D. Affirmative Marketing Plan

Frenchtown has submitted an affirmative marketing plan that comports with the requirements of the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. and ensures the units in the Borough's 1987-2018 Fair Share Plan and all future affordable housing units will be affirmatively marketed to the region upon initial sale/rental and re-sale/re-rental. Once approved by COAH, the affirmative marketing plan must be adopted by resolution by the Borough within 45 days of COAH's grant of substantive certification and submitted to COAH.

IV. MONITORING

Frenchtown must comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting the Frenchtown's actual growth pursuant to N.J.A.C. 5:97-2.5.

Pursuant to N.J.A.C. 5:96-10.1, COAH will conduct biennial plan evaluations upon substantive certification of Frenchtown's Housing Element and Fair Share Plan. The purpose of the plan evaluation is to verify that the construction or provision of affordable housing has been in proportion to the actual residential growth and employment growth in the municipality and to determine that the mechanisms addressing the projected growth share obligation continue to present a realistic opportunity for the creation of affordable housing. If upon any biennial review the difference between the number of affordable units constructed or provided in Frenchtown and the number of units required pursuant to N.J.A.C 5:97-2.5 results in a pro-rated production shortage of 10 percent or greater, or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, the Council may direct the municipality to amend its plan to address the shortfall.

V. RECOMMENDATION

COAH staff recommends that Frenchtown be granted third round substantive certification. Frenchtown must adopt all necessary implementing ordinances within 45 days of the grant of substantive certification and submit certified copies of the adopted ordinances to COAH within seven days of the adoption.